Approval of projects by SAIL

2413. SHRI S.M. LALJAN BASHA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that SAIL has given an on principle approval to six projects involving a total expenditure of Rs. 11.000 crores;

(b) if so, the details thereof;

(c) the source of funding for these proposals;

(d) the steps likely to be taken, to productively use this investment; and

(e) the details of measures proposed to safeguard the SAIL's long-term interests?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) and (b) During July 2006 Steel Authority of India Limited (SAIL) Board has accorded 'in-principle' approval for five projects costing Rs. 11,183 crore and final approval for one project costing Rs. 52 Crore. The details of the these projects are as under:—

'In-principle' approval by SAIL Board	(Rs. in crore)
(i) Expansion of IISCO Steel Plant	9592.00
(ii) Installation of bar & Rod Mill at Durgapur Steel Plant	738.00
(iii) Rebuilding of Coke Oven Battery No. 1 at Bokaro Steel Plant	240.00
(iv) Upgradation of Blast Furnace No. 2 at Bokaro Steel Plant	593.00
(v) Augmentation of Covered Slag Yard at Bokaro Steel Plant	20.00
Final approval of SAIL Board	
(vi) Hot Metal Desulphurisation in Steel Melting Shop at Roukela Steel Plant	52.00

(c) The financing of investment would primarily come from internal resources of the SAIL and if required, to meet the balance fund, market borrowing will be resourted to. However, efforts would be made to keep the overall debt to equity ratio upto 1:1.

(d) and (e) The proposal indicated at (i) to (iv) (costing more than Rs. 100 Crore) have been appraised by the financial institution, M/s Industrial Finance Corporation of India (IFCI) and found to be techno-economically viable, before seeking SAIL Board's approval. In case of other two projects (costing less than Rs. 100 Crore), In-house appraisal has been done and found to be techno-economically viable, before seeking the approval.